

Alaska Legislature

House Special Committee on Energy

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Sectional Analysis

House Bill 196: Alternative Energy Revolving Loan Fund

Section 1

Adds language allowing a variety of capitalization sources for the Alternative Energy Revolving Loan Fund.

Also stipulates that principal and interest payments and other income on loans or investments in the fund become part of the fund.

Section 2

Adds a new subsection that requires a loan be secured on the real property to be improved and on a first lien on the improvements financed under the loan fund.

States that the interest rate will be set between 5% and 8%, declares how the specific rate will be calculated in relation to the bank prime rate, and describes the length of time that rate remains in effect.

Section 3

Adds high efficiency wood pellet stoves to the program's definitions of "alternative energy system."

Section 4

Repeals the sweep provision from the current revolving loan fund statute; Repeals the current loan rates, which are 5% for the first \$15,000 and 15% for sums above that amount; and Repeals the transfers or sales of mortgages and notes.

Section 5

Sets an immediate effective date.